

## NON-DISCLOSURE AGREEMENT

*Industries Inc.*

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THIS NON-DISCLOSURE AGREEMENT ("Agreement") is made by and between LSI ~~Lighting Systems~~, a ~~Delaware~~ corporation, having a place of business at 10000 Alliance Road, Cincinnati, Ohio 45242 (hereinafter called "LSI"), and Advanced Optical Technologies, L.L.C., a Delaware limited liability company, having its principal place of business at 8301 Greensboro Drive, Suite 110, McLean, Virginia 22102 (hereinafter called "AOT").

WHEREAS, in connection with the evaluation of a potential transaction between AOT and LSI (the "Transaction"), AOT wishes to disclose to LSI information, relating to the business and operations of AOT, which is deemed proprietary and confidential by AOT, solely for the purpose of enabling LSI to evaluate the Transaction.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Confidential Information.

(a) The term "Confidential Information" means any information that AOT or its employees, officers, directors, consultants, legal counsel or other agents or representatives (collectively, "AOT Representatives") has furnished to or furnishes to LSI or its employees, officers, directors, consultants, legal counsel or other agents or representatives (collectively, "LSI Representatives"), including, without limitation, financial information, financial projections, trade secrets, business plans, know-how, technology, patents, marketing strategies, plans, data, studies, and forecasts, whether disclosed as of the date hereof or hereafter, and whether disclosed orally, in writing, electronically, on computer disk or other media, together with analyses, compilations, studies, and any other information concerning AOT or its actual or anticipated business, research or development, or other documents prepared by AOT or AOT Representatives and which contain or otherwise reflect any such information.

(b) All notes, analyses, compilations, studies or other documents of LSI which contain or reflect Confidential Information shall be deemed Confidential Information and be subject to the protections provided by this Agreement.

(c) Confidential Information shall not include, and the obligations contained herein shall not apply to, information that:

- (i) is generally known to the public at the time of disclosure or becomes publicly known through no wrongful act of LSI or LSI Representatives; or

- (ii) is received by LSI from a third party who had a lawful right to disclose it to LSI; or
- (iii) is used or disclosed with the prior written authorization of AOT; or
- (iv) is known to LSI at the time of disclosure by AOT or is independently developed by LSI without the use of the Confidential Information, as demonstrated by LSI's written records.

The party claiming that information falls within the above exclusions to Confidential Information shall have the burden of proving the same.

(d) LSI shall treat the Confidential Information as the proprietary and confidential information of AOT, shall not disclose the Confidential Information to any other person or entity except as authorized herein, and shall use reasonable efforts to safeguard the Confidential Information, including using efforts at least to the same extent that it would its own proprietary and confidential information.

(e) LSI shall use such Confidential Information solely for the purpose of evaluating the Transaction.

(f) LSI agrees to reveal the Confidential Information received hereunder only to LSI Representatives who need to know the Confidential Information for the purpose permitted by Section 1(e) above and who, prior to disclosure, are informed of the confidential nature of the Confidential Information and agree to be bound by the terms of this Agreement applicable to LSI. LSI agrees to be and remain jointly and severally liable for any disclosure or use or other action by any LSI Representatives which is not in accordance with this Agreement. All of the provisions set forth in this Agreement shall bind any employee of LSI after such employee leaves the employment of LSI and LSI shall be liable for any breach of this Agreement by any of its former employees.

(g) In the event that LSI or LSI Representatives are requested or required by any third party (including any court or governmental agency) to disclose any Confidential Information, LSI will give AOT immediate oral notice of such request, to be followed by prompt written notice thereof, so that AOT may challenge the requirement of such disclosure and/or seek an appropriate protective order, and shall support and cooperate fully with AOT in presenting any such challenge or seeking any such order, including without limitation by supporting any effort by AOT to intervene in any proceeding and by providing AOT with any pleadings or other documentation that would be helpful in connection therewith. If in the absence of a protective order LSI is nonetheless legally compelled to disclose any Confidential Information (as advised by LSI's counsel), LSI may disclose such Confidential Information without liability hereunder; provided, however, that LSI gives AOT written notice of the Confidential Information to be disclosed as far in advance of such disclosure as is practicable, upon AOT's request uses its best efforts to obtain assurances that confidential treatment will be

afforded such information, and disclose only such Confidential Information as is necessary to comply with LSI's legal obligation as advised by its counsel.

2. Publicity. Without the other party's prior written consent, except as required by law or regulation, neither party shall disclose to any person any of the terms or conditions or other facts with respect to this Agreement or the relationship between the parties.

3. Return or Destruction of Confidential Information. All Confidential Information shall be and remain the property of AOT. LSI agrees not to make more than three (3) copies of Confidential Information without AOT's prior written consent. All tangible forms and copies of the Confidential Information, such as written documentation, shall be returned to AOT as soon as is reasonably practicable upon AOT's request. LSI agrees to destroy all electronic communications or other media containing Confidential Information as soon as is reasonably practicable upon AOT's request and to provide AOT with a certificate signed by an officer of LSI attesting that all such materials have been destroyed no later than thirty days following AOT's request.

4. Nature of Agreement. This Agreement shall not be construed as requiring either party to enter into any contractual or other relationship with the other party or require disclosure of any Confidential Information. It only sets forth the rights and obligations of the parties with respect to such Confidential Information that is, in fact, disclosed.

5. Accuracy of Information. Neither AOT nor any AOT Representatives makes any representation or warranty as to the accuracy, completeness or freedom from defect of the Confidential Information, including freedom from any patent infringement that may result from the use of such Confidential Information.

6. Technology Rights. No rights or obligations are to be implied by this Agreement with respect to any products, processes, patents, inventions, trademarks, trade secrets, or copyrights. This Agreement shall not be construed to grant any license directly or indirectly under any patent or patent application, or any right, title, interest, or license in or to any inventions, technical data or other intellectual property of AOT or to which AOT has rights, or to grant any right to use Confidential Information disclosed hereunder for any purpose other than that permitted by Section 1(e) above.

7. Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes any previous understandings, commitments, or agreements, oral or written, with respect to the subject matter hereof.

8. Term. The confidentiality and use obligations imposed in this Agreement shall commence upon the execution hereof and continue and survive the termination of discussions between AOT and LSI, the expiration or termination of other agreements between the parties, and any return or destruction of the Confidential Information. Either party may terminate this Agreement on written notice to the other, but termination shall

not affect the rights and obligations hereunder with respect to the Confidential Information disclosed prior to termination.

9. Modification and Waiver. The terms set forth in this Agreement may be modified or waived only by a separate writing signed by AOT and LSI expressly so modifying or waiving such terms. It is understood and agreed that no failure or delay in exercising any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power, or privilege hereunder.

10. Governing Law, Jurisdiction and Forum. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without regard to the conflict of laws provisions thereof. The parties further consent to service of any process relating to this Agreement by registered or certified mail or by personal service.

11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, delivered by express courier (with confirmation), telecopied (with confirmation), or mailed by registered or certified mail (with return receipt requested) to the parties at the following addresses, or at such other addresses as the parties shall specify by notice:

**If to LSI:** 10000 Alliance Road  
Cincinnati, Ohio 45242  
Attn: Ron Stowell  
Facsimile Number: (513) 791-0813

**If to AOT:** c/o Crowley Technologies, LLC  
Two Wisconsin Circle  
Suite 850  
Chevy Chase, Maryland 20815  
Attn: George D. Crowley, Jr.  
Facsimile Number: (301) 913-0414

with a copy to:

Jack Rains  
8301 Greensboro Drive  
Suite 110  
McLean, Virginia 22102  
Facsimile Number: (703) 676-7755

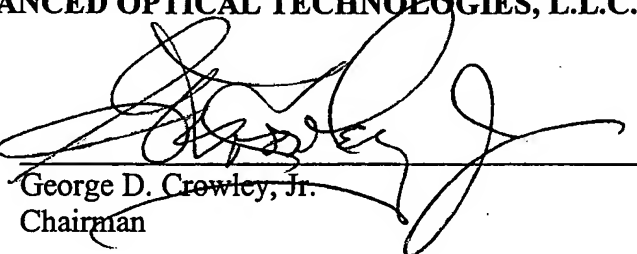
12. Remedies. It is understood and agreed that money damages would not be a sufficient remedy for any breach of this Agreement and that specific performance shall

be available as a remedy for any such breach. Such remedy shall not be deemed to be the exclusive remedy for any such breach but shall be in addition to all other remedies available at law or equity.

IN WITNESS WHEREOF, AOT and LSI have caused this Agreement to be executed by their duly authorized officers, as of this 29<sup>th</sup> day of July, 2000.

**ADVANCED OPTICAL TECHNOLOGIES, L.L.C.**

By:




George D. Crowley, Jr.  
Chairman

**LSI ~~LIGHTING SYSTEMS~~  
INDUSTRIES INC.**

RSS

By:



Ronald J. Stowell  
Ron Stowell  
Chief Financial Officer